STATE OF ARIZONA FILED

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STATE OF ARIZONA

DEPT	OF INSURANCE
BY _	

DEPARTMENT OF INSURANCE

In the Matter of:)	
)	No. 11A- 025 - INS
SONG, CHIWON,)	
(Arizona License Number 907000))	
(National Producer Number 9919549))	
)	CONSENT ORDER
Respondent.)	
)	
)	

The State of Arizona Department of Insurance ("Department") has received evidence that **Chiwon Song ("Respondent")** violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

- 1. Respondent is, and was at all material times licensed as an Arizona resident accident/health, life and variable annuities insurance producer, Arizona license number 907000, which expires May 31, 2011.
- 2. On or about May 11, 2009, Respondent sold to Young En Yoon ("Yoon") a

 Destination Income 15 Indexed Annuity through Forethought Life Insurance Company

 ("Forethought"). At the direction of Mrs. Yoon, Respondent wrote in his business address in the space provided for Yoon's mailing address. Respondent failed to deliver the policy to Yoon upon issuance.

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- On or about December 17, 2009, Respondent sold to Yoon a Value Lock Equity-Indexed Deferred Annuity through American National Insurance Company ("ANICO") to replace the Forethought annuity to the detriment of Yoon. On the ANICO application, Respondent asserted that the "Specific Reason for Replacing Existing Policy With New Proposed Policy" is "To have better interest rate: To have better strategy: and, To have lower surrender value and long term investment". The replacement of the Forethought policy with the ANICO policy would not have accomplished any of the reasons Respondent stated on the ANICO application. The replacement of the Forethought policy with the ANICO policy would have cost Yoon \$5,400.00 in surrender charges with no other benefits over the Forethought
- On February 8 and February 10, 2010, on the instruction of Respondent, Respondent's assistant Janet Kim posed as Yoon and called Forethought and requested cancellation of the annuity without Yoon's knowledge or consent.

CONCLUSIONS OF LAW

- 1. The Director has jurisdiction over this matter.
- 2. Respondent's conduct, as described above, constitutes using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere within the meaning of A.R.S.§20-295(A)(8).
- 3. Respondent's conduct, as described above, constitutes making any misrepresentation to any policyholder for the purpose of inducing or tending to induce the

policyholder to lapse, forfeit, surrender, retain or convert any insurance policy, within the meaning of A.R.S. § 20-443(A)(5).

- 4. Respondent's conduct, as described above, constitutes knowingly presenting or causing to be presented or preparing with the knowledge or belief that it will be presented an oral or written statement to an insurer or purported insurer that contains untrue statements of material fact with respect to an application for the issuance of an insurance policy, within the meaning of A.R.S. § 20-463(A)(1)(a).
- 5. Grounds exist for the Director to suspend, revoke, or refuse to renew Respondent's insurance license, impose a civil penalty and/or order restitution pursuant to A.R.S. §§20-295(A) and (F).

ORDER

IT IS HEREBY ORDERED THAT:

Respondent's license is revoked effective immediately upon entry of this Order.

DATED AND EFFECTIVE this 10th day of February, 2011.

CHRISTINA URIAS Director of Insurance

CONSENT TO ORDER

1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.

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- 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and Order.
- 3. Respondent is aware of his right to notice and a hearing at which he may be represented by counsel, present evidence and examine witnesses. Respondent irrevocably waives his right to such notice and hearing and to any court appeals relating to this Consent Order.
- 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to him to induce him to enter into this Consent Order and that he has entered into this Consent Order voluntarily.
- 5. Respondent acknowledges that the acceptance of this Consent Order by the Director is solely to settle this matter against him and does not preclude any other agency, officer, or subdivision of this state including the Department from instituting civil or criminal proceedings as may be appropriate now or in the future.
- 6. Respondent acknowledges that this Consent Order is an administrative action that the Department will report to the National Association of Insurance Commissioners (NAIC) and that he may have to report this administrative action on any future licensing applications either to the Department or other states' Departments of Insurance.

Chiwon Song, License No. 907000

1	COPIES of the foregoing mailed/delivered this <u>llth</u> day of <u>February</u> , 2011, to:
2	Chiwon Song 815 N. 52 nd St.
4	Phoenix, AZ 85008 (Respondent)
5	Nicholas Alcock 2 N. Central Ave., 26 th Floor
6	Phoenix, AZ 85004 (Attorney for Respondent)
7	Mary Kosinski, Executive Assistant for Regulatory Affairs Catherine M. O'Neil, Consumer Legal Affairs Officer
8	Steve Fromholtz, Licensing Supervisor Arnold Sniegowski, Investigator
9	Department of Insurance
10	2910 North 44 th Street, Suite 210 Phoenix, Arizona 85018
11	Cincer Ruston
12	Curvey Walters Burton
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